

FISCAL NOTE

SB 209 - HB 306

March 14, 2007

SUMMARY OF BILL: Requires all dogs to be licensed annually; All dogs must have current rabies shot to be licensed; Reduces licensing fee for dogs that are spayed or neutered; Licensing fees to go to city or county where dog lives.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$29,400

Increase Local Govt. Expenditures - \$4,815,000*

Increase Local Govt. Revenues - \$6,279,000

Assumptions:

- One position of Clerk 3 for the Department of Agriculture (DOA) to handle additional health certificates: salary, benefits, equipment and supplies for a cost of \$29,420.
- Tags will be designed by the DOA but will be purchased from independent companies. No significant cost to design the tags.
- Licenses would expire annually on May 1. The fee for the license would be as follows: \$4.50 for dogs not less than four months and not more than seven months that are not spayed or neutered and dogs more than seven months that are spayed or neutered; \$7.00 for un-neutered and unsprayed dogs; \$2.00 for a dog if the owner is more than 65 years of age; \$20.00 for group license fee; and a \$2.00 for all replacement licenses.
- The University of Tennessee, College of Veterinary Medicine, provided an estimate of 1,604,946 dogs in Tennessee households.
- All county clerks and veterinarians would be authorized to issue and collect license fees.
- Average cost per dog for license would be \$4.50. \$7,222,257 (\$4.50 x 1,604,946). All persons collecting registration and licensing fees would retain \$1.00 of each license. \$5,617,311 (\$7,222,257 - \$1,604,946) would be remitted to the appropriate city or county. Assuming 35% of licenses are issued by county clerks additional \$561,732 would be

generated ($\$1 \times 1,604,946 \times .35$). Total local revenue from licenses will be \$6,179,043 ($\$561,732 + \$5,617,311$).

- The cost to county clerks' offices for administrative and issuance responsibilities is estimated to be \$3.00 per license. Local expenditures will increase by \$4,814,838 ($1,604,946 \times \3).
- Guide dogs, police dogs, fire dogs, service dogs, and search and rescue dogs would be exempt from the registration and licensing fees.
- Failure to register or license a dog would be a Class C misdemeanor punishable by a fine of not more than \$25. Local governments will collect revenue from fines in an amount exceeding \$100,000.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a large initial "J" and "W".

James W. White, Executive Director